

SECURITIES INVESTOR PROTECTION CORPORATION

Irving Picard, Trustee of Bernard L. Madoff Investment Securities, LLC

Period Ended September 30, 2010

Report No. 22

CASH RECEIPTS:

General Cash Receipts		for Period		Prior Period		Total		Cumulative Detail		
		\$57,012,185.47		Cumulative		Received	Customer Fund	General Estate	SIPC	Code
Beginning Cash Balance		0.00		5,206.29		5,206.29		\$		4010
Transfer from Debtor's Estate - Other * (See Note)		0.00		336,660,934.06		336,660,934.06				4014
Transfers from Debtor's Estate - BNY account		0.00		235,156,309.36		235,156,309.36				4016
Transfers from Debtor's Estate - Chase account		0.00		0.00		0.00				4031
Broker Dealer's - Other close outs		71,158.87		1,261,587.88		1,332,746.75				4040
Interest and Dividends		0.00		0.00		0.00				4050
Mutual Fund Trail Commissions		0.00		0.00		0.00				4060
Sale of Securities		0.00		37,273,877.23		37,273,877.23				4080
Closesout Proceeds - Broker Dealers		0.00		21,783,082.40		21,783,082.40				4031
Closesout Proceeds - NSCC		0.00		12,660,000.00		12,660,000.00				4032
Closesout Proceeds - DTCC		0.00		0.00		0.00				4070
Sale of Debtor's Assets		0.00		89,690.80		89,690.80				4071
- Sports Tickets		95.43		2,083,599.32		2,083,694.75				4072
- Bank Debt Participations		0.00		204,170.51		204,170.51				4073
- DTCC Shares		0.00		1,075,676.01		1,075,676.01				4075
- Market Making Business		0.00		0.00		0.00				4090
Refunds - General		0.00		752,963.00		752,963.00				4074
- BLM Air Charter		0.00		9,841.45		9,841.45				4091
Refunds - Deposits		0.00		169,025.68		169,025.68				4092
- Dues/Subscriptions		0.00		157.00		157.00				4093
- Car Registrations		0.00		58,066.58		58,066.58				4094
- Vendors		0.00		793.61		793.61				4095
- Transit Cards		0.00		402,859.56		402,859.56				4096
- Insurance/Workers Comp		0.00		144,500.00		144,500.00				4097
- Ref. Political Contributions		0.00		50.84		50.84				4099
- Refunds Other		0.00		0.00		0.00				4100
Recoveries - General		0.00		0.00		0.00				4101
Recoveries - Litigation Related		0.00		455,381,048.00		455,381,048.00				4021
- Pre-Litigation Settlements		770,728.36		43,147,294.82		43,918,023.18				4020
- Customer Preferences		0.00		10,674.74		10,674.74				4102
- Employees		0.00		12,777.56		12,777.56				4103
- Taxing Authorities		2,806.96		179,769.37		182,576.33				4104
- Class Actions		0.00		308,948.49		308,948.49				4105
- NASDAQ		0.00		183,683.79		183,683.79				4106
- NYSE		0.00		96,816.23		96,816.23				4107
- Transaction Fees		0.00		0.00		0.00				4108
- Sub-Tenants		0.00		71,298.73		71,298.73				4109
- Other		0.00		0.36		0.36				4110
Miscellaneous		4,411.87		461,276.77		465,688.64				4111
Subtenant Rent										
Sub-total General Cash Receipts		\$849,201.49		\$1,149,645,980.44		\$1,150,495,181.93		\$0.00	\$0.00	
Advances from SIPC										
Administration - Advances		20,975,925.27		227,787,524.86		248,763,450.13				2901
Securities - Paid Bank Loans		0.00		0.00		0.00				2921
- Cash in Lieu		7,638,475.53		712,539,921.02		720,178,396.55				2922
Sub-total SIPC Advances		\$28,614,400.80		\$940,327,445.88		\$968,941,846.68				
Total Cash Receipts		\$29,463,602.29		\$2,089,973,426.32		\$2,119,437,028.61		\$0.00	\$0.00	

\* (Note) In addition, on January 30, 2009, Depository Trust & Clearing Corp. transferred to the Trustee's brokerage account 1601 securities positions. The total net equity value at September 30, 2010 is \$306,541,894.

(See Page 5 for more details)

Period Ended September 30, 2010

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**CASH DISBURSEMENTS:**

**Administrative Disbursements**

**General Administrative Disbursements**

	Net Change for Period	Prior Period Cumulative	Cumulative Total Paid	Code
Computer - Rental	0.00	11,121.59	\$11,121.59	5011
- Software Support	0.00	55,159.20	\$55,159.20	5012
- Equipment Leases	0.00	204,159.01	\$204,159.01	5013
Employee related - Salaries-Net	0.00	4,361,844.80	\$4,361,844.80	5020
- FICA-Employer	0.00	318,550.60	\$318,550.60	5021
- Fed. & St. Unemploy.	117.76	2,294.16	\$2,411.92	5023
- Temporary Help	0.00	29,612.50	\$29,612.50	5024
- Employee Medical Plan	0.00	830,103.99	\$830,103.99	5025
- Employee LTD	0.00	6,887.03	\$6,887.03	5026
- Employee Expense Reimbursement	0.00	1,125.87	\$1,125.87	5027
- Employee Life/AD&D	0.00	9,006.83	\$9,006.83	5028
- Other	0.00	1,622.90	\$1,622.90	5029
Insurance - Trustee Bond	0.00	600.00	\$600.00	5030
Insurance - Surety & Fidelity Bonds	0.00	37,400.00	\$37,400.00	5031
Insurance Workers Comp	0.00	12,578.00	\$12,578.00	5032
- Other	0.00	8,496.00	\$8,496.00	5039
Fees - Payroll Processing	0.00	8,195.96	\$8,195.96	5045
- Other	39.39	9,835.11	\$9,874.50	5049
Rent - Office	59,502.89	3,224,296.14	\$3,283,799.03	5050
- Equipment	0.00	1,695.89	\$1,695.89	5051
- Warehouse	10,864.55	231,756.74	\$242,621.29	5052
- Bulova	0.00	310,130.75	\$310,130.75	5053
- Other	936.00	23,873.27	\$24,809.27	5059
Telephone and Telegraph	0.00	360,456.68	\$360,456.68	5060
Communication Fees	0.00	626,227.89	\$626,227.89	5061
Utilities - Electricity	166.37	6,298.38	\$6,464.75	5070
Office Supplies & Expense - Maint. & Repairs	458.52	72,213.50	\$72,672.02	5080
- Moving&Storage	144.00	141,490.50	\$141,634.50	5081
- Postage/Handling/Prep	0.00	40,343.00	\$40,343.00	5082
- Reproduction	1,199.44	164,347.27	\$165,546.71	5083
- Locksmith	0.00	2,770.83	\$2,770.83	5084
- Security	0.00	249,897.70	\$249,897.70	5085
- Supplies	0.00	3,342.03	\$3,342.03	5086
- Temporary Help	0.00	4,413,489.59	\$4,413,489.59	5087
- Other	0.00	33,798.47	\$33,798.47	5089
Taxes	0.00	77,671.94	\$77,671.94	5090
NYC Commercial Rent Tax	3,768.00	50,285.01	\$54,053.01	5091
Claims Related Costs - Mailing Costs	0.00	23,053.28	\$23,053.28	5101
- Publication	0.00	163,961.13	\$163,961.13	5102
- Supplies	0.00	16,244.58	\$16,244.58	5103
- Printing	0.00	2,207.42	\$2,207.42	5104
Scanning - Investigation	91,618.58	4,592,252.55	\$4,683,871.13	5110
Foreign Research	0.00	38,975.00	\$38,975.00	5112
Sub-total General Admin. Disbursements	\$168,815.50	\$20,779,673.09	\$20,948,488.59	

**Professional Fees and Expenses**

Trustee Fees	303,760.45	2,436,297.41	\$2,740,057.86	5200
Trustee Expenses	954.41	1,083.54	\$2,037.95	5201
Trustee Counsel Fees (Baker)	15,761,394.84	79,702,073.68	\$95,463,468.52	5210
Trustee Counsel Expenses (Baker)	467,861.00	1,676,479.18	\$2,144,340.18	5211
Trustee Counsel Fees (Windels)	1,930,696.00	1,562,822.72	\$3,493,518.72	5212
Trustee Counsel Expenses (Windels)	24,141.50	34,758.34	\$58,899.84	5213
Special Counsel Fees	668,489.84	2,568,597.70	\$3,237,087.54	5220
Special Counsel Expenses	116,678.09	223,214.43	\$339,892.52	5221
Consultant Fees	7,128,439.83	112,198,973.72	\$119,327,413.55	5240
Consultant Expenses	172,576.13	3,377,803.75	\$3,550,379.88	5241
Investment Banker Fees	0.00	1,050,000.00	\$1,050,000.00	5242
Sales Tax	20,615.22	692,972.15	\$713,587.37	5243
Hosting Expense	107,560.60	2,992,347.30	\$3,099,907.90	5244
Receiver Counsel Fees	0.00	300,000.00	\$300,000.00	5260
Receiver Counsel Expenses	0.00	6,449.08	\$6,449.08	5261
Receiver's Consultants Fees	0.00	316,000.00	\$316,000.00	5262
Receiver's Consultants Expenses	0.00	15,000.00	\$15,000.00	5263

Sub-total Professional Fees and Expenses

\$26,703,167.91 \$209,154,873.00 \$235,858,040.91

Total Administrative Disbursements

\$26,871,983.41 \$229,934,546.09 \$256,806,529.50

Period Ended September 30, 2010

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**CASH DISBURSEMENTS:**

**Claim Related Disbursements**

	Net Change for Period	Prior Period Cumulative	Total Paid	Customer Fund	Cumulative Totals General Estate	SIPC	Code
Customer - Paid Bank Loan	\$ 5,993,613.85	\$ 714,649,383.56	\$ 720,642,997.41				6021
- Securities - Cash in Lieu							6022
- Securities - Purchases							6023
- Indemnification							6031
- Cash Balance							6041
Customer -							6050
Customer -							6060
Customer - Trustee Journal Entry per Allocation							6090
Other - Contractual Commitments							6111
- Pd. Bank Loan							6121
- Indemnification							6131
Other -							6140
Other -							6150
Other - Trustee Journal Entry per Allocation							6160
General Creditor							6100
Sub-total Claim Disbursements	\$5,993,613.85	\$714,649,383.56	\$720,642,997.41	\$0.00	\$0.00	\$0.00	6200

**Other Disbursements (except investments)**

SIPC - Refunds - Recoupment							6301
- Indemnification							6310
- Contr. Commitments							6311
- Paid Bank Loan							6321
- Subrogation							6322
Other -							6400
Other -							6401
Other -							6402
Other -							6403
Other -							6404

**Sub-total Other Disbursements**

**Investments by Trustee - Purchases\***

**Sub-total Administrative Disb. - page 2**

**Total Disbursements**

Total Receipts less Disbursements  
Ending Cash Balance

	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1900
	\$0.00	\$1,088,377,311.20	\$1,088,377,311.20				
	\$26,871,983.41	\$229,934,546.09	\$256,806,529.50	0.00	0.00	0.00	
	\$32,265,597.26	\$2,032,961,240.85	\$2,065,226,838.11	\$0.00	\$0.00	\$0.00	
	(\$2,801,994.97)	\$57,012,185.47	\$54,210,190.50	\$0.00	\$0.00	\$0.00	
	\$54,210,190.50						

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\* (Note) On August 27, 2009, a preferred custody account maintained by Citibank was established and \$1,028,377,311 had been transferred into the account through April 30, 2010. As of September 30, 2010 the total net equity value of this account was \$1,031,667,789.

(See page 6 for more details)

\* (Note) On December 21, 2009, an insured money market account maintained by Citibank was established and \$60,000,000 was transferred into the account. As of September 30, 2010, the total net equity value of this account was \$60,229,670.

Period Ended September 30, 2010

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**SUMMARY INFORMATION ON STATUS OF LIQUIDATION**

	Customer Claimants	Broker/Dealer Claimants	General Estate Claimants
Claims received	<u>16,374</u>	<u>50</u>	<u>100</u>
Claims satisfied by distribution of cash and/or securities:			
a. As part of the transfer in bulk	-	-	-
b. On an account by account basis-Fully Satisfied (1)	817	-	-
c. On an account by account basis-Partially Satisfied (1)	<u>1,312</u>	<u>-</u>	<u>-</u>
	<u>2,129</u>	<u>-</u>	<u>-</u>
Claims Determined but not yet satisfied	95	-	-
Claims under review	2,971	50	100
Claims Denied:			
a. No Claims	8	-	-
c. Assets at Another Broker	-	-	-
c. Other Denials for which no objections were filed	8,302	-	-
d. Denials for which objections were filed:			
- Hearing not yet set	2,385	-	-
- Set for Hearing	484	-	-
- Adjudicated	-	-	-
	<u>14,245</u>	<u>50</u>	<u>100</u>

Accounts with cash and/or securities which were transferred in bulk

Filing Date Value

Customer name securities distributed

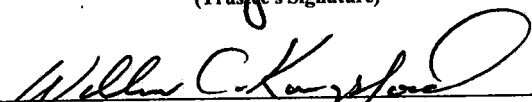
Customer fund securities distributed

\$

(1) To the extent satisfied, customer claims have been paid with up to the maximum SIPC advance of \$500,000.

  
(Trustee's Signature)

10/18/10  
(Date)

  
(Accountant's Signature)

10/15/10  
(Date)

Period Ended September 30, 2010

Report No. 22

IRVING H. PICARD, TRUSTEE FOR BLMIS LLC  
Morgan Joseph Account

	Fixed Income	Equities	Accrued Interest	Sweep Account (Proceeds from sale of securities and other investment transactions)	Account Balance
Balance on August 31, 2010	300,328,459	9,054	221,253	5,790,617	306,349,383
Sale of Securities	(59,994,498)			60,000,000	5,502
Equities					Note 1
Securities Purchased	59,955,625			(59,955,625)	-
Unrealized Gain or (Loss)	57,746	881			58,627
Interest and Dividends Earned			141,487	(13,103)	128,384
Other changes in Account Balance				(2)	(2)
Balance on September 30, 2010	300,347,332	9,935	362,740	5,821,887	306,541,894

Note 1: Actual gain or (loss) on sales of Securities

Period Ended September 30, 2010

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IRVING H. PICARD, TRUSTEE FOR BLMIS LLC  
Citibank Preferred Custody Account

A/C # 25D070578768

	Cash Assets/Mutual Funds	U.S. Treasury Bills	US Treasury Notes	Accrued Interest	Account Balance
Balance August 31, 2010	110,511,155	820,318,755	100,473,000	191,082	1,031,493,992
Sales of Securities	319,763,127	(320,091,000)			(327,873)
Purchase of Securities	(299,525,951)	299,525,951			-
Unrealized Gain or (Loss)		67,882	31,000		98,882
Interest and Dividends Earned					
Interest	336,873			61,475	398,348
Dividends	507			3,933	4,440
Balance September 30, 2010	131,085,711	799,821,588	100,504,000	256,490	1,031,667,789